City of San Diego

Quarterly Portfolio Review
Quarter ended June 2007

Report dated August 22, 2007

QUARTERLY PORTFOLIO REVIEW
Quarter Ending June 2007

Economic Commentary

CHAIRMAN BERNANKE AND THE FEDERAL RESERVE ON 'PERMAHOLD'

In his testimony before Congress (Humphrey Hawkins), Ben Bernanke continued the recent Fed trend of leaving investors scratching their heads. While he reiterated the Fed's worries regarding weakness in the housing market and detailed significant problems in the subprime mortgage markets he also commented on more robust economic growth and emphasized the Fed's anti-inflation stand. He reiterated the Fed's long standing policy of being wary of inflationary pressures.

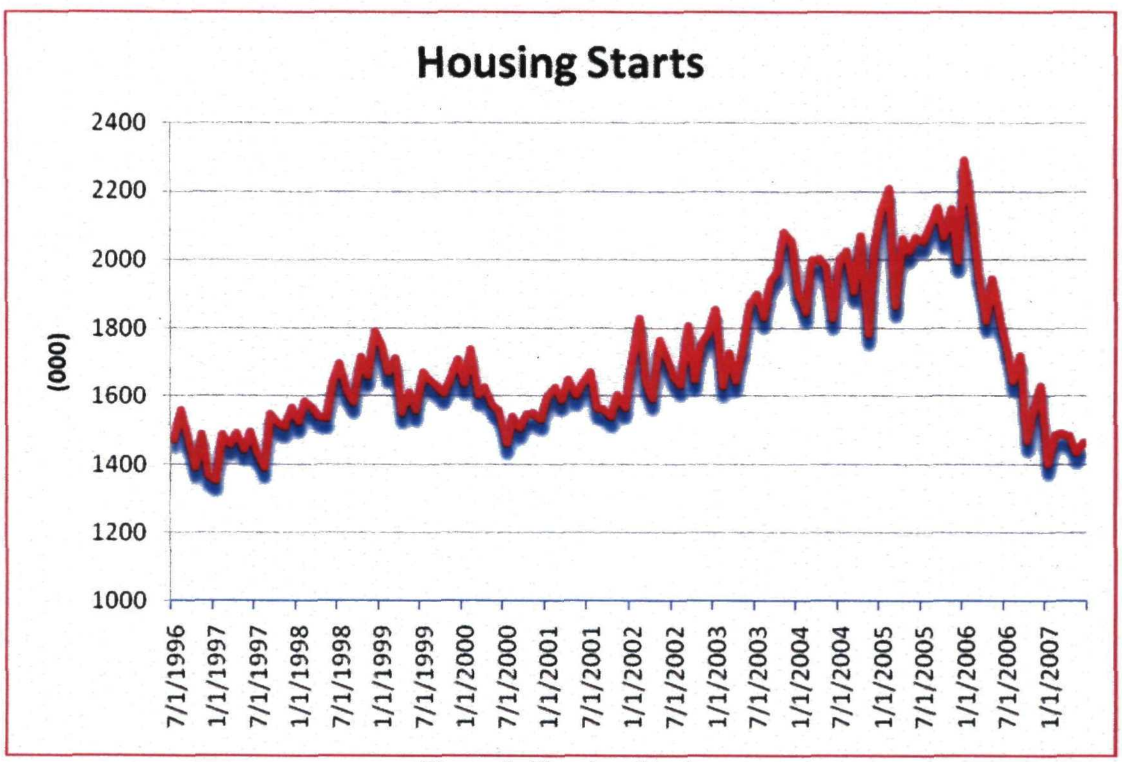

Figure 1: Housing Starts

Investors then, were left pondering these remarks and trying to decipher his message to figure out where, exactly, the Fed stands with respect to raising (or lowering) the Target Fed Funds Rate.

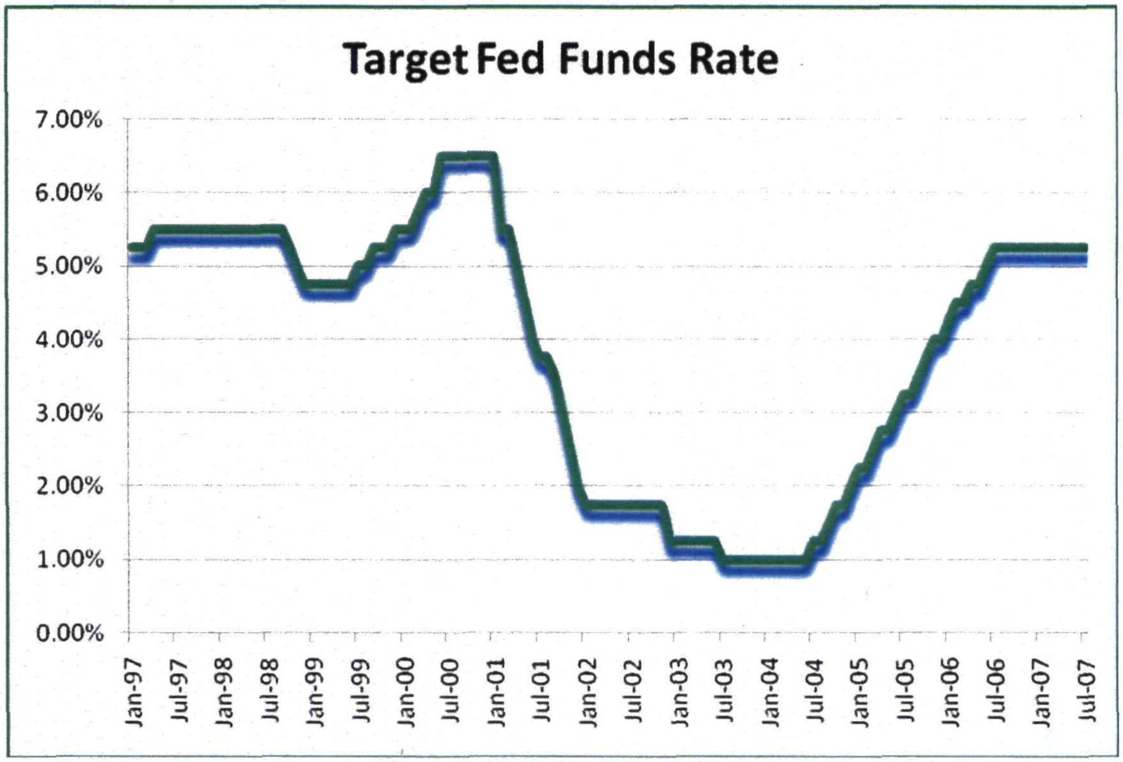

Figure 2: Target Fed Funds Rate

The Fed was relentless in raising rates from the middle of 2004 (albeit in small increments) to June 2006 when the Target Fed Funds Rate reached 5.25%. The Fed has, since then, issued many statements about remaining vigilant against inflation, but has not actually raised rates. Concern at various economic factors, particularly the housing market, has made the Fed cautious about being too aggressive. The current subprime market problems, that threaten to spill over into other areas of the economy, have made this dilemma even worse for the Fed since both rising inflation and declining economic growth can't be fought at the same time. Fighting one factor generally causes the other to move in the adverse direction.

However, we believe that unless there is a major esclation of the housing market problem, the Fed will continue to be very sensitive to inflationary pressures. It is interesting to note that Ben Bernanke was once nicknamed 'Helicopter Ben' for suggesting that deflationary problems could be solved by scattering cash from the sky. Now, it appears that the Fed Chairman has taken fighting inflation to heart. This attitute appears to be behind his reiterating inflationary dangers and the Feds commitment to fighting those dangers even as he deals with the economy. While some may take this as a mixed signal, it seems that what the Fed is saying is that they are aware of problems with the economy, but still remain focused on inflation because they do not believe inflationary pressures have been eliminated. Additionally, Bernanke, unlike his predecesor, Alan Greenspan, relies on the Fed's inflation and growth forecasts to influence monetary policy. This type of reliance on long-term forecasts allow the Chairman to weather short-term volatility since long term forecasts of consumer expectations and inflation are better predictors of the future state of the economy than reviewing volatile monthly economic reports.

The value of the dollar continues to decline against other major currencies. As this makes imports more expensive (American consumers have to give more dollars to buy goods in foreign currency), it is also considered inflationary. And while the price of oil has stabilized a little over the last few months, it is still very high by historical standards, and also contributes to inflationary pressures in the economy. Rising prices is the essence of inflation and causes the consumers to have less disposable income to spend causing lower economic growth.

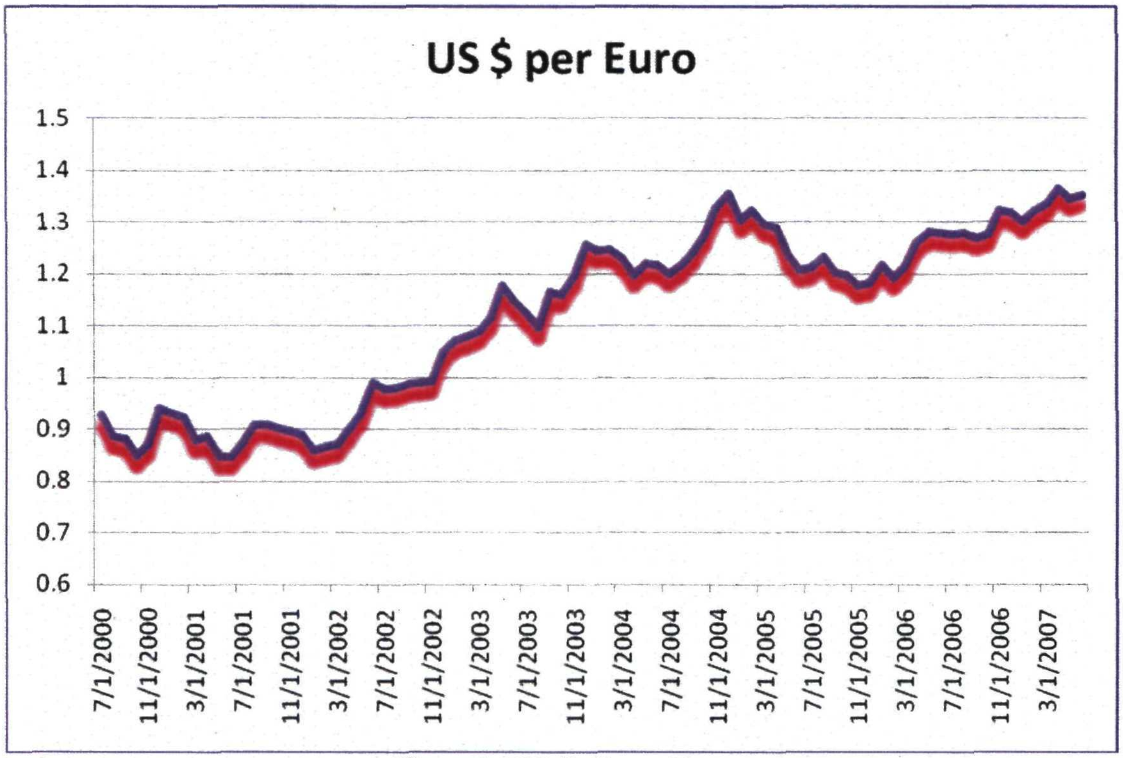

Figure 3: U.S. Dollar vs Euro

Because of these continued inflationary pressures and also the above stated Fed position of continuing to be vigilant against inflation, we believe that the Fed still has a tightening bias. However, due to current economic problems, particularly the housing market, we believe they will continue to be on the sidelines for the near future, with their bias in check, unless there are further indications of pronounced inflationary pressures in consumer products and/or labor market.

We thus do not expect the Fed to raise rates in the near future, with the caveat that if they detect inflationary pressures building up, their sideline stance will change and then we can expect them to raise the Fed Funds rate.

Indicator	*Period*	*Report Current*	*As Reported Last Quarter*	**Difference**
Consumer Price Index (MoM)	JUN	0.2%	0.6%	-0.4%
Producer Price Idx. (ex food/energy, (MoM)	JUN	-0.2%	1.0%	-1.2%
Durable Goods	MAY	-2.4%	-1.7%	-0.7%
Factory Order	MAY	-0.5%	1.0%	-1.5%
Industrial Production	JUN	0.5%	-0.2%	0.7%
Capacity Utilization	JUN	81.7%	81.4%	0.3%
Gross Domestic Product (Annualized)	1 QTR	0.7%	2.5%	-1.8%
ISM (Manufacturing) (NAPM)	JUN	56.0	50.9	5.1
ISM (Non-manufacturing) (NAPM)	JUN	60.7	52.4	8.3
Personal Income	MAY	0.5%	0.6%	-0.1%
Retail Sales	JUN	-0.9%	0.7%	-1.6%
Unemployment Rate	JUN	4.5%	4.4%	0.1%
Change in Non-farm Jobs	JUN	132,000	180,000	-48,000
Consumer Confidence (Conference Board)	JUN	103.9	107.2	-3.3
Leading Indicators	MAY	0.3%	0.1%	0.2%
Home Re-sales	MAY	5.99(mil.)	6.69(mil.)	-0.70(mil.)
Home Sales, New	MAY	0.915(mil.)	0.848(mil.)	0.067(mil.)
Housing Starts	JUN	1.467(mil.)	1.518(mil.)	-0.051(mil,)
Median Home Price (existing) [EHSLMP]	MAY	223,000	$211,100	11,900

Figure 4: Table of Key Economic Indicators

The economic data in Figure 4 are color-coded with red items generally pointing toward a weaker economy and green items generally pointing toward a stronger economy. The number of red items decreased from 15 last quarter to 11 this quarter thus supporting Fed's expectation that economic growth will pick up in the 2nd half of the year.

Strategy

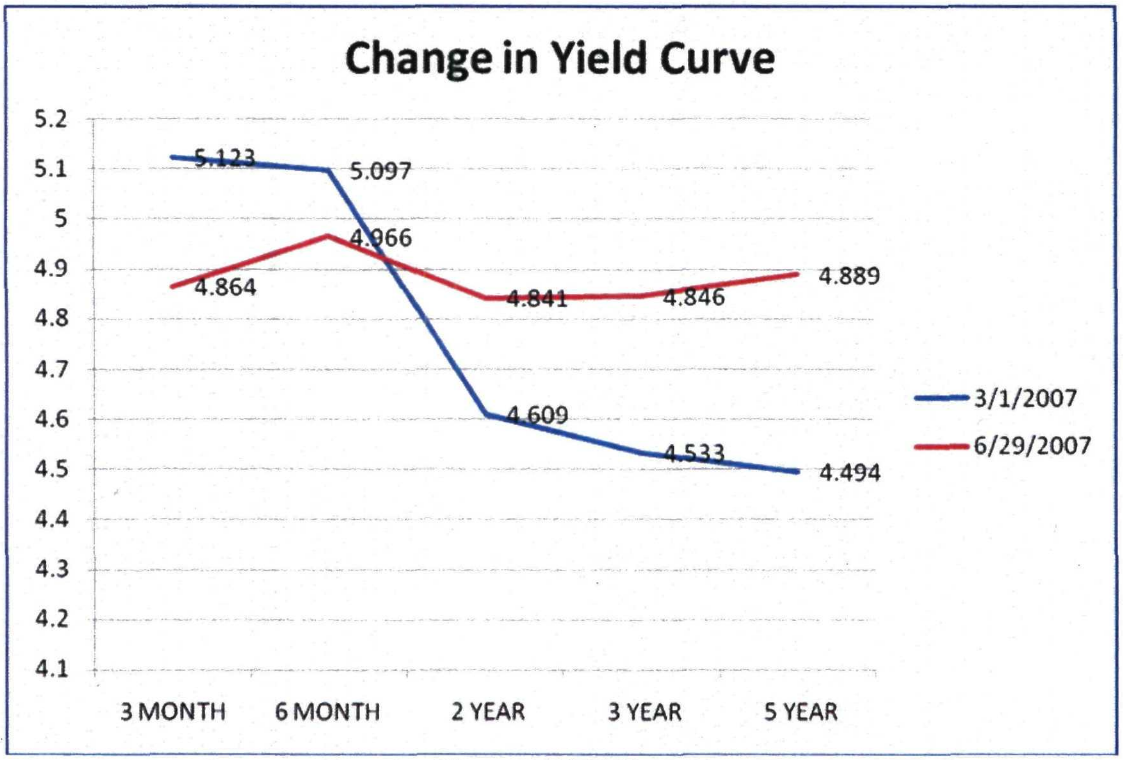

Figure 5: Yield Curve

The last quarter saw a significant change in the shape of the curve (See Figure 5). The three month to five year spread was inverted by nearly 63 basis points on March 1, 2007. However, during the quarter, short term rates actually declined (26 basis points), while five year rates rose (39 basis points) and the curve 'steepened' to the extent of the three month to five year spread essentially going to zero basis resulting in a nearly flat yield curve.

One of the key questions going forward is if this steepening is going to continue? The answer to this question is heavily dependent on the Fed. If the Fed is expected to start raising interest rates then we can expect the curve to steepen as we expect the longer end of the curve to take the lead as interest rates start to go up.

However, we have seen that the Fed, while ready to raise interest rates if inflationary pressures become worse, would prefer to stay on the sidelines due to factors like the housing market and the growing problem in the subprime mortgage markets. Also, a number of hedge funds have indicated significant liquidity problems, and these have also made credit markets jittery. Thus, we do not think the Fed will raise rates in the near future, resulting in a range bound market.

We plan to maintain our mostly overall neutral stance for the core portfolio vis-à-vis approximately matching (95% to 100%) the index's duration.

We will continue to monitor the portfolio and search for opportunities to enhance the portfolio's carrying yield while maintaining the duration differential between the range stated above.

One area we are watching carefully is credit spreads. Both the subprime market problems and the hedge fund problems have made the market increasingly nervous about risk and we fully expect these worries to manifest themselves across the board in credit spreads. While we have already detected some movement in these spreads, we expect these to continue through August, and perhaps through the rest of the quarter ending September 30. Historically speaking, even with the recent widening of credit spreads, we are still near the low end of "normalized" spreads.

Because of these concerns we may increase our allocation to US Treasuries at the expense of other segments of the market. This will reduce the overall yield on the portfolio, but we think that the risk of widening credit spreads makes this a feasible re-allocation of funds for the near future.

Portfolio Results

Cost and Market Value

As of June 30, 2007, the Treasurer's Core Portfolio had a cost value of **$1,110,842,384** and a market value of **$1,105,644,861**. As of the same date, the Treasurer's Liquidity Portfolio had a cost value of **$707,766,440** and a market value of **$710,956,413.** At the end of the quarter, 61.08% of funds were in the Core Portfolio and 38.92% in the Liquidity Portfolio.

Exposure to Market Risk

The average maturity of the Core Portfolio was 1.87 years and its effective duration was 1.67 years or 97.21% of the benchmark index duration of 1.72 years. The Merrill Lynch 1-3 year Treasury Index is the benchmark index for the Core Portfolio.

The average maturity of the Liquidity Portfolio was 0.32 years and its duration was 0.323 years or 84.69% of the benchmark index duration of 0.381 years. The Merrill Lynch 3-6 months Treasury Bill Index is the benchmark index for the Liquidity Portfolio.

Exposure to Credit Risk

The average credit quality of the combined portfolios remains high. The percent of the combined portfolio invested in highly liquid and safe US Treasury securities is 25.5% and U.S. Agency (non-mortgage-backed) securities is 55.4%. Investments in corporate securities (other than money market instruments) are currently 8.6% and this complies with the maximum percentage of 30% allowed in the Investment Policy. The pool's remaining funds were in Money Market instruments and the California Local Agency Investment Fund representing 10.5% of the portfolio. The pie chart in Attachment #7 shows the allocation of assets of the combined portfolios.

Yield Curve change during the quarter:

As was mentioned earlier, the shape of the yield curve changed during the quarter. Yield on the shorter end declined somewhat, but yields in the three to five year sector increased (with the five year Treasury yield going up by 39 basis points).

This contributed negatively to our returns. While our presence in the very short term was beneficial, the impact was not very significant. However, the index does not have any securities greater than three years in maturity, and as the City's portfolio does, and that sector underperformed, it contributed negatively to the City's core portfolio's performance against the Merrill 1-3 year Treasury index.

Credit Spreads:

Credit spreads widened during the quarter as the dimensions of the subprime problems spread and a number of hedge funds reported serious problems. This also hurt the portfolio in its performance against the Treasuries only index.

Total Return/Earned Interest Yield

For the quarter ending June 30, 2007, the Treasurer's Core Portfolio had a total return of 0.741% versus a benchmark return of 0.711% and an earned interest yield for the quarter of 4.842%. The Liquidity Portfolio had an earned interest yield of 5.293% for the quarter ending June 30, 2007.

Fiscal year to date as of June 30, 2007 the Treasurer's Core Portfolio had a total return of 5.470% versus a benchmark return of 5.081% and an earned interest yield of 4.448%. The Liquidity Portfolio had an earned interest yield of 5.275% for fiscal year to date.

Projected Cashflow Requirements

The Investment staff has reviewed and the Treasurer has affirmed that the Liquidity Portfolio has sufficient maturities and liquidity to meet the City's expenditure requirements for the next six months.

MONTH	CASH INFLOWS	CASH OUTFLOWS	NET MONTHLY CASHFLOWS	CUMULATIVE NET CASHFLOWS
July	476	355	121	121
August	340	337	3	124
September	313	206	107	231
October	192	166	26	257
November	270	179	91	348
December	304	220	84	432

(All dollar amounts in millions)

Legend:
Cash Inflows- All revenues, reimbursements, interest receipts and investment maturities.
Cash Outflows- All disbursements to include payroll, pension payroll, accounts payable and wire transfer payments (e.g. water payments, IRS taxes & bond payments).
Cumulative Net Cashflow- All future cumulative net flows available for reinvestment. Since the target duration of the Liquidity Portfolio is approximately .33 years it will not be unusual for the cumulative net Cashflow figure to equal or closely approximate the size of the Liquidity Portfolio.
Cashflows based on Actual Cashflows where applicable, otherwise, based on quarterly updated projection Cashflows.

SUMMARY OF PORTFOLIO CHARACTERISTICS

Quarter Ending June 30, 2007 vs. March 31, 2007

Benchmark (G1O2) **US Treasury Notes 1-3yr**	**Core Portfolio**			**Benchmark**	
	Qtr Ending Mar. 31, 2007	**Qtr Ending June 30, 2007**	**FYTD**	**Qtr Ending June 30, 2007**	**FYTD**
Portfolio cost	$960,805,741	$1,110,842,384			
Market value (w/acc int.)	$960,636,581	$1,105,644,861			
Average maturity (years)	1.95	1.87	1.92*	1.83	1.85
Earned income yield	4.88%	4.84%	4.45%		
Total return****	1.49%	0.74%	5.47%	0.71%	5.08%
Duration (Effective)	1.74	1.67	1.74**	1.72	1.73
Change in value vs. 1% change in interest rates	$16.7MM	$18.5MM			
Average credit quality	Agency	Agency		Treasury	
% of portfolio below "A/A"	0.0%	0.0%		0.0%	

	Portfolio	**Benchmark**	**Difference**
One Year Total Return	5.47%	5.08%	0.39%
Three Year Total Return ***	3.27%	2.91%	0.36%

Quarter Ending	**06/30/2007**	**03/31/2007**	**12/29/2006**	**09/29/2006**
Core Portfolio Total Return	0.74%	1.49%	1.07%	2.07%
Index Return Total Return	0.71%	1.41%	0.91%	1.96%

* Monthly average maturity averaged for the fiscal year-to-date. ** Month-end duration averaged for the fiscal year-to-date.
*** Annualized. **** Total Return Calculation is through the last business day of the month.

Quarter Ending June 30, 2007 vs. March 31, 2007

Benchmark (G0B2) **US Treasury Bills 3-6mo**	**Liquidity Portfolio**			**Benchmark**	
	Qtr Ending Mar. 31, 2007	**Qtr Ending June 30, 2007**	**FYTD**	**Qtr Ending June 30, 2007**	**FYTD**
Portfolio cost	$643,786,800	$707,766,440			
Market value	$647,837,323	$710,956,413			
Average maturity (years)	0.32	0.32	0.32*	0.38	0.38
Earned income yield***	5.30%	5.29%	5.28%		
Duration (Macaulay in years)	0.316	0.32	0.32**	0.38	0.38
Change in value vs. 1% change in interest rates	2.0MM	2.3MM			
% maturing within 13 months	100%	100%		100%	
Average credit quality	Agency	Agency		Treasury	
% of portfolio below "A/A"	0.0%	0.0%		0.0%	
One Year Return* **	**5.28%**	**Three Year Return*** **			**3.93%**

* Monthly average maturity averaged for the fiscal year-to-date. ** Month-end duration averaged for the fiscal year-to-date. ***Earned Income Yield this Period.

COMPLIANCE WITH INVESTMENT POLICY

Category	Standard	Comment
Duration(core) Duration(liquidity)	ML 1-3 Year +/-20% US T-bill 3-6 months +/-20%	Complies – 97.21 % Complies - 84.69 %
Maximum Maturity	5 years	Complies
Agency Securities	100% maximum	Complies – 55.4%
FNMA	33.3% maximum	Complies- 16.6%
FHLMC	33.3% maximum	Complies – 18.2%
FHLB	33.3% maximum	Complies – 18.7%
FFCB	33.3% maximum	Complies – 1.9%
MBS/CMO's	5 yr maximum- 20% max.	Complies – None in Portfolio
Asset-backed	5 yr maximum- 20% max.	Complies – None in Portfolio
Commercial Paper	A1/P1- 5% per issuer	Complies
	25% maximum	Complies – 7.64%
Banker's Acceptances	A1/P1- 5% per issuer	Complies –
	40% maximum	Complies – None in Portfolio
Medium Term Notes (includes Bank Notes)	'A' Rating' by at least two agencies	Complies
	3 year maximum	Complies
	30% maximum	Complies – 8.56%
Mutual Funds	20% maximum	Complies – None in Portfolio
Certificate and Public Deposits	30% maximum	Complies – None in Portfolio
Reverse Repos	20% maximum	Complies – None in Portfolio
Futures and Options	Prohibited	Complies – None in Portfolio
Custody	Bank trust dept.	Complies – Bank of NY
Exposure per issuer (corporate)	5% of total portfolio	Complies
Structured Notes	8% maximum/no multiple index structures.	Complies
Municipal Securities	'A' Issuer Rating by an NRSRO	Complies – None in Portfolio
	20% maximum	Complies – None in Portfolio
	5% of total portfolio exposure per Issuer or Insurer, excluding California General Obligations	Complies – None in Portfolio

~ Attachments ~

1- Holdings Report

2- Broker Activity Report- 9998- Core Portfolio

3- Broker Activity Report- 9997- Liquidity Portfolio

4- Broker Activity Report- 9997/9998- Combined

5- Maturity Distribution- 9998- Core Portfolio

6- Maturity Distribution- 9997- Liquidity Portfolio

7- Allocation of Assets- Combined Portfolios (Core-9998 & Liquidity-9997)

City of San Diego - Pooled Investment Fund as of 06/30/2007

Security Type	Issuer	Invst No.	Sec. Description	Coupon	Maturity	CUSIP	Par	Book	Market Value	Price Source
US Treasury Bill	US Treasury	70916	b 12-13-07-07	4.690	12/13/2007	912795B67	$63,000,000	$61,539,065	$61,630,177	SUNGARD
US Treasury Note	US Treasury	52916	treas note-bg4-3.25-97.304-8	3.250	8/15/2008	912828BG4	$10,000,000	$9,730,469	$9,812,500	SUNGARD
US Treasury Note	US Treasury	60210	ustn-el0-4.375-99.296-05	4.375	11/15/2008	912828EL0	$20,000,000	$19,859,375	$19,837,500	SUNGARD
US Treasury Note	US Treasury	60236	ustn-el0-4.375-99 222-05	4.375	11/15/2008	912828EL0	$25,000,000	$24,805,664	$24,796,875	SUNGARD
US Treasury Note	US Treasury	60338	tn-el0-3 375-98.640-39	4.375	11/15/2008	912828EL0	$30,000,000	$29,592,188	$29,756,250	SUNGARD
US Treasury Note	US Treasury	52932	ustn-4v1-4.75-100 960-83	4.750	11/15/2008	9128274V1	$20,000,000	$20,192,188	$19,937,500	SUNGARD
US Treasury Note	US Treasury	600002	ustn-4.75-101.015625-83	4.750	11/15/2008	9128274V1	$10,000,000	$10,101,563	$9,968,750	SUNGARD
US Treasury Note	US Treasury	70114	ustn-15nov08-4v1-99 648-40	4.750	11/15/2008	9128274V1	$50,000,000	$49,824,219	$49,843,750	SUNGARD
US Treasury Note	US Treasury	60175	ustn-ev8-4.5-99.554-38	4.500	2/15/2009	912828EV8	$17,000,000	$16,924,297	$16,883,125	SUNGARD
US Treasury Note	US Treasury	60266	ustn-ev8-4.5-99.125-83	4.500	2/15/2009	912828EV8	$15,000,000	$14,868,750	$14,896,875	SUNGARD
US Treasury Note	US Treasury	70820	t 4.875-99.976-05-31-09-83	4.875	5/31/2009	912828GT1	$30,000,000	$29,992,969	$29,990,625	SUNGARD
US Treasury Note	US Treasury	70291	t-4.875-081509-40	4 875	8/15/2009	912828FP0	$20,000,000	$20,076,563	$19,987,500	SUNGARD
US Treasury Note	US Treasury	70376	t-4.875-081509-40	4 875	8/15/2009	912828FP0	$25,000,000	$25,277,344	$24,984,375	SUNGARD
US Treasury Note	US Treasury	70684	t 4 875 -08-15-09-038	4.875	8/15/2009	912828FP0	$50,000,000	$50,703,503	$49,968,750	SUNGARD
US Treasury Note	US Treasury	70817	T-4 .5-99.0625-05-15-10-004.	4.500	5/15/2010	912828GR5	$30,000,000	$29,777,446	$29,681,250	SUNGARD
US Treasury Note	US Treasury	70600	t 4.25 01-15-11-05	4.250	1/15/2011	912828ES5	$20,000,000	$19,951,809	$19,575,000	SUNGARD
US Treasury Note	US Treasury	70818	t 4 5-98.554-03-31-12-38	4.500	3/31/2012	912828GM6	$15,000,000	$14,895,703	$14,723,438	SUNGARD
US Treasury Note	US Treasury	70819	t 4.5-98.5625-04-30-12-83	4.500	4/30/2012	912828GQ7	$15,000,000	$14,841,236	$14,718,750	SUNGARD
	Treasury Total					***25.46%***	***$465,000,000***	***$462,954,347***	***$460,992,989***	
US Agency	Federal Farm Credit Bank	51558	ffcb-2k6-99.943-65	3.500	7/2/2007	31331T2K6	$20,000,000	$19,988,600	$20,000,000	SUNGARD
US Agency	Federal Home Loan Bank	70746	FHLB-DN-JB6-5.11-5	5.110	7/13/2007	313384JB6	$50,000,000	$49,574,167	$49,921,875	SUNGARD
US Agency	Federal National Mortgage Association	70380	fndn-0-072707-43	4.950	7/27/2007	313588JR7	$10,000,000	$9,679,625	$9,965,625	SUNGARD
US Agency	Federal National Mortgage Association	70625	FNMA 4.75 08-03-07-10	4.750	8/3/2007	31359MG56	$19,713,000	$19,820,553	$19,700,679	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70659	fredn 0-08-03-07-22	5.090	8/3/2007	313396JY0	$26,000,000	$25,580,923	$25,886,250	SUNGARD
US Agency	Federal National Mortgage Association	70566	fnmdn 0 08-22-07-43	5.075	8/22/2007	313588KT1	$20,000,000	$19,506,597	$19,856,250	SUNGARD
US Agency	Federal National Mortgage Association	70564	fndn 0-08-29-07-39	5.060	8/29/2007	313588LA1	$4,200,000	$4,092,559	$4,165,875	SUNGARD
US Agency	Federal National Mortgage Association	60449	fnma-4.375-98.876-39	4.375	9/7/2007	31359MZB2	$10,000,000	$9,887,600	$9,981,250	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70628	fhlmc 3.25-11-02-07-083	3.250	11/2/2007	3128X3H55	$25,000,000	$24,709,975	$24,828,125	SUNGARD
US Agency	Federal National Mortgage Association	70416	FNMA 5.15 112107-38	5.150	11/21/2007	31359M2H5	$15,000,000	$14,987,400	$14,985,938	SUNGARD
US Agency	Federal National Mortgage Association	70626	fnmdn 0-11-23-07- 042	4.960	11/23/2007	313588PQ2	$35,000,000	$33,842,667	$34,289,063	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70627	fredn-0-12-03-07-05	4.925	12/3/2007	313396QA4	$30,000,000	$28,973,958	$29,353,125	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70737	fmcdn 0-12-06-07-042	5.035	12/6/2007	313396QD8	$475,000	$460,916	$464,461	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	53042	fhlmc-wa5-5-100.00-05	5.000	12/28/2007	3128X4WA5	$10,000,000	$10,000,000	$9,981,250	SUNGARD
US Agency	Federal Home Loan Bank	52047	fhlb-cot0106-e94-101.12-79	4.500	1/25/2008	3133XAE94	$10,000,000	$10,112,000	$9,950,000	SUNGARD
US Agency	Federal Home Loan Bank	52773	fhlb-uq4-100.261-39	4.375	3/14/2008	3133XCUQ4	$5,000,000	$5,013,060	$4,965,625	SUNGARD
US Agency	Federal National Mortgage Association	70706	FNDN-UW3-99.449-42	4.920	3/28/2008	313588UW3	$25,230,000	$24,081,783	$24,283,875	SUNGARD
US Agency	Federal National Mortgage Association	70821	fndn 0 03-28-08-05	4.980	3/28/2008	313588UW3	$35,000,000	$33,537,817	$33,687,500	SUNGARD
US Agency	Federal Home Loan Bank	70682	fhlp 5.25 04-16-08-010	5.250	4/16/2008	3133XKHB4	$8,810,000	$8,813,854	$8,801,741	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70822	fmcdn-0-04-18-08-38	4.985	4/18/2008	313396VT7	$20,000,000	$19,105,469	$19,187,500	SUNGARD
US Agency	Federal Home Loan Bank	70707	FHLB-LT0-99.973-5	5.125	4/24/2008	3133XKLT0	$20,000,000	$20,011,683	$19,968,750	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	51743	fhlmc-cot1005-d91-43	3.560	4/25/2008	3128X3D91	$10,000,000	$10,000,000	$9,859,375	SUNGARD
US Agency	Federal National Mortgage Association	70952	fndn o 05-16-08-43	4.990	5/16/2008	313588WX9	$30,000,000	$28,661,017	$28,678,125	SUNGARD
US Agency	Federal National Mortgage Association	52512	fnma-uz2-100.1899-79	4.000	5/19/2008	3136F5UZ2	$10,000,000	$10,018,995	$9,887,500	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70953	fmcdn o 05-27-08-38	4.975	5/27/2008	313396XJ7	$25,000,000	$23,849,531	$23,859,375	SUNGARD
US Agency	Federal Home Loan Bank	52510	fhlb-sv8-100.166-5	4.000	6/13/2008	3133XBSV8	$10,000,000	$10,016,600	$9,881,250	SUNGARD
US Agency	Federal Home Loan Bank	52511	fhlb-sv8-100.166-87	4.000	6/13/2008	3133XBSV8	$10,000,000	$10,017,431	$9,881,250	SUNGARD
US Agency	Federal Home Loan Bank	70115	fhlb-13jun08-jx5-99.781-40	5.125	6/13/2008	3133XFJX5	$115,000,000	$114,748,150	$114,820,313	SUNGARD
US Agency	Federal Farm Credit Bank	81911	ffcb-jk0-100-87	3.375	7/15/2008	31331SJK0	$5,000,000	$4,992,400	$4,904,688	SUNGARD
US Agency	Federal Home Loan Bank	52775	fhlb-sa2-99.895-79	4.250	9/12/2008	3133XCSA2	$5,000,000	$4,994,793	$4,942,188	SUNGARD
US Agency	Federal Home Loan Bank	52776	fhlb-sa2-99.89-43	4.250	9/12/2008	3133XCSA2	$15,000,000	$14,983,500	$14,826,563	SUNGARD
US Agency	Federal Home Loan Bank	60174	fhlb-fz7-4.625-99.220-39	4.625	9/12/2008	3133XEFZ7	$20,930,000	$20,766,746	$20,773,025	SUNGARD
US Agency	Federal Home Loan Bank	60212	fhlb-zp7-5-100.161-79	5.000	9/12/2008	3133XEZP7	$15,000,000	$15,024,214	$14,953,125	SUNGARD
US Agency	Federal Home Loan Bank	70192	fhlb-4.1-102808-41	4.100	10/28/2008	3133X1SU2	$4,000,000	$3,906,600	$3,941,250	SUNGARD
US Agency	Federal Home Loan Bank	70164	fhlb-3.1-122408-41	3.100	12/24/2008	31339XVV3	$7,250,000	$6,910,410	$7,030,234	SUNGARD
US Agency	Federal National Mortgage Association	70665	fnma 5.45 03-27-09-083	5.450	3/27/2009	31359M6T5	$15,000,000	$15,029,521	$14,990,625	SUNGARD
US Agency	Federal Farm Credit Bank	70690	ffcb-qcal- 5.25 04-23-09-043	5.250	4/23/2009	31331XVN9	$10,000,000	$10,000,000	$9,984,375	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	60473	fhlmc-ae9-5.25-99.934-05	5.250	5/21/2009	3137EAAE9	$25,000,000	$24,983,500	$25,015,625	SUNGARD

City of San Diego - Pooled Investment Fund as of 06/30/2007

Security Type	Issuer	Invst No.	Sec. Description	Coupon	Maturity	CUSIP	Par	Book	Market Value	Price Source
US Agency	Federal Home Loan Mortgage Corporation	70206	fhlmc-5.25-052109-40	5.250	5/21/2009	3137EAAE9	$60,000,000	$60,362,400	$60,037,500	SUNGARD
US Agency	Federal Home Loan Bank	60474	fhlb-lg9-5.25-99 875-05	5.250	6/12/2009	3133XFLG9	$25,000,000	$24,968,750	$25,023,438	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	52783	fhlmc-cot:0906-pb1-100-79	4.625	9/28/2009	3128X4PB1	$5,000,000	$5,000,000	$4,940,625	SUNGARD
US Agency	Federal National Mortgage Association	70402	FNMA 4.625 12-15-09 05	4.625	12/15/2009	31359M2S1	$25,000,000	$24,930,500	$24,671,875	SUNGARD
US Agency	Federal National Mortgage Association	70401	FNMA 4.625 12-15-09 038	4.625	12/15/2009	31359M2S1	$25,000,000	$24,930,500	$24,671,875	SUNGARD
US Agency	Federal National Mortgage Association	70433	FNMA 4.625 12-15-09 05	4.625	12/15/2009	31359M2S1	$25,000,000	$24,803,250	$24,671,875	SUNGARD
US Agency	Federal National Mortgage Association	70494	fnma-7.5-011510-48	7.250	1/15/2010	31359MFG3	$40,000,000	$42,528,089	$41,925,000	SUNGARD
US Agency	Federal National Mortgage Association	70218	fnma-4.3-030910-41	4.300	3/9/2010	3136F5HH7	$5,000,000	$4,856,050	$4,884,375	SUNGARD
US Agency	Federal National Mortgage Association	70204	fnma-4.25-051310-41	4.250	5/13/2010	3136F3RM0	$10,000,000	$9,683,300	$9,746,875	SUNGARD
US Agency	Federal Home Loan Bank	52777	fhlb-ur2-100.374-87	4.500	9/10/2010	3133XCUR2	$20,000,000	$20,074,800	$19,568,750	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70568	fhlmc 5.125 11-24-10-83	5.125	11/24/2010	3128X5PV4	$10,000,000	$9,983,900	$9,928,125	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70240	fhlmc-5.875-032111-41	5.875	3/21/2011	3134A4EW0	$10,000,000	$10,295,198	$10,215,625	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70241	fhlmc-5 875-032111-42	5.875	3/21/2011	3134A4EW0	$5,000,000	$5,147,200	$5,107,813	SUNGARD
US Agency	Federal Home Loan Mortgage Corporation	70233	fhlmc-5.45-090211-41	5.450	9/2/2011	3128X5JJ8	$20,000,000	$19,961,400	$19,931,250	SUNGARD
	U.S. Agency Total					***55.44%***	***$1,016,608,000***	***$1,008,209,951***	***$1,007,778,640***	
Repurchase Agreement	Overnight Repo	70956	REPURCHASE AGREEMEN	5.200	7/2/2007		$29,986,382	$29,986,382	$29,986,382	BOOK
Local Agency Investment Fund	California State Pool	49819	LOCAL AGENCY INVESTME	5.170	7/1/2007		$22,899,091	$22,899,091	$22,899,091	BOOK
Commercial Paper	Dresdner Finance	70950	drsfin o 07-02-07-38	5.330	7/2/2007	26156KU26	$35,000,000	$34,984,454	$34,994,857	SUNGARD
Commercial Paper	UBS	70949	ubsam o 07-02-07-05	5.350	7/2/2007	9026X1U21	$50,000,000	$49,977,708	$49,992,653	SUNGARD
Commercial Paper	Toyota Finance	70657	toy 0-08-02-07-24	5.190	8/2/2007	89233HV27	$15,000,000	$14,755,638	$14,929,467	SUNGARD
Commercial Paper	Citigroup Finance	70658	citifi 0-08-02-07-43	5.200	8/2/2007	17307SV25	$20,000,000	$19,673,556	$19,905,956	SUNGARD
Commercial Paper	General Electric Credit Corp	70613	cp- ge 0 09-17-07-23	5.140	9/17/2007	36959JWH2	$20,000,000	$19,486,000	$19,771,200	SUNGARD
	Repo, BA's, CD's, CP, LAIF, Funds Total					***10.54%***	***$192,885,473***	***$191,762,828***	***$192,479,605***	
Medium Term Note	Toyota Motor Corp.	70726	mtn-toyota-fltr-5.30438-83	5.304	7/2/2007	89233PVZ6	$10,000,000	$10,051,570	$10,000,000	SUNGARD
Medium Term Note	Goldman Sachs	70790	mtn-gs-fltr-100.0143-83	5.474	7/2/2007	38141EJP5	$15,000,000	$15,120,757	$15,000,000	SUNGARD
Medium Term Note	Merill Lynch	70763	mtn-mer-fltr-100.0069-5.3179	5.330	7/27/2007	59018YXU0	$25,000,000	$25,001,725	$25,000,000	SUNGARD
Medium Term Note	General Electric Credit Corp	70381	ge-4.125-030408-40	4.125	3/4/2008	36962GP57	$10,000,000	$9,907,500	$9,910,938	SUNGARD
Medium Term Note	UBS AG USA	70668	ubs-5.41-qcal-04-17-08-48	5.410	4/16/2008	90261XDF6	$15,000,000	$15,000,000	$14,962,500	SUNGARD
Medium Term Note	AIG Sunamerica Global Finance	70431	aig-3.9-102208-22	3.900	10/22/2008	00209LAA0	$12,000,000	$11,747,520	$11,775,000	SUNGARD
Medium Term Note	HSBC Finance Corporation	70437	hsbc-4.125-121508-40	4.125	12/15/2008	441812KF0	$5,000,000	$4,910,350	$4,910,156	SUNGARD
Medium Term Note	Credit Suisse FB USA	70290	cs-3.875-011509-41	3.875	1/15/2009	22541LAL7	$10,000,000	$9,707,000	$9,790,625	SUNGARD
Medium Term Note	Wachovia Corporation	70300	wb-3.625-021709-40	3.625	2/17/2009	929903AD4	$10,000,000	$9,665,500	$9,726,563	SUNGARD
Medium Term Note	Illinois Tool Works	70328	itw-5.75-030109-43	5.750	3/1/2009	452308AE9	$9,150,000	$9,295,211	$9,228,633	SUNGARD
Medium Term Note	Wells Fargo Bank	70301	wfc-3.125-040106-41	3.125	4/1/2009	949746FQ9	$10,000,000	$9,539,100	$9,629,688	SUNGARD
Medium Term Note	Wal-Mart	70279	wmt-6.875-081009-40	6.875	8/10/2009	931142BE2	$10,000,000	$10,503,300	$10,290,625	SUNGARD
Medium Term Note	Wal-Mart	70534	wmt 6.875 081009-83	6.875	8/10/2009	931142BE2	$5,000,000	$5,209,565	$5,145,313	SUNGARD
Medium Term Note	General Electric Credit Corp	70495	ge-5.25-102709-42	5.250	10/27/2009	36962GZ31	$10,000,000	$10,022,600	$9,980,000	UPRICE
	Corporate MTN's and Other Notes Total					***8.56%***	***$156,150,000***	***$155,681,697***	***$155,350,039***	
	Grand Total						***$1,830,643,473***	***$1,818,608,824***	***$1,816,601,274***	

CITY OF SAN DIEGO

BROKER ACTIVITY DISTRIBUTION
04/01/07 THROUGH 06/30/07
FUNDS: 9998, 0003

BROKER NAME	# OF TXNS	PURCHASE OF SECURITIES	SALE OF SECURITIES	REVERSE REPURCHASE	REPURCHASE	TOTAL
BANK OF NEW YORK	1		10,000,000.00			10,000,000.00
MORGAN STANLEY	2	65,599,205.81				65,599,205.81
SMITH BARNEY-SHEARSON	2	39,777,445.65				39,777,445.65
BEAR STEARNS	4	70,042,428.77				70,042,428.77
FUND - 9998 TOTAL:	9	175,419,080.23	10,000,000.00			185,419,080.23
GRAND TOTAL	142	2,281,927,790.08	280,073,782.62	.00	2,450,022,139.12	5,012,023,711.82

CITY OF SAN DIEGO

BROKER ACTIVITY DISTRIBUTION
04/01/07 THROUGH 06/30/07
FUNDS: 9997, 0001

BROKER NAME	# OF TXNS	PURCHASE OF SECURITIES	SALE OF SECURITIES	REVERSE REPURCHASE	REPURCHASE	TOTAL
CITY OF SAN DIEGO	2		45,353,947.92			45,353,947.92
BANK OF AMERICA	39	1,006,537,643.86	34,943,601.39		421,795,985.00	1,463,277,230.25
BARCLAYS CAPITAL INC	1	61,539,065.00				61,539,065.00
MORGAN KEEGAN	1	8,813,854.38				8,813,854.38
BARCLAYS CAPITAL INC	1	25,580,923.33				25,580,923.33
GENERAL ELECTRIC COMPANY	1	19,997,138.89				19,997,138.89
TOYOTA FINANCIAL	1	14,755,637.50				14,755,637.50
MORGAN STANLEY	19	581,865,742.36	15,079,783.33		185,348,781.00	782,294,306.69
MERRILL LYNCH	6	208,908,432.93				208,908,432.93
LEHMAN BROTHERS	5	24,542,698.69	86,935,661.10			111,478,359.79
SMITH BARNEY-SHEARSON	3	48,334,572.23	39,536,422.22			87,870,994.45
UBS FINANCIAL SERVICES	2	54,982,533.33				54,982,533.33
BEAR STEARNS	51	50,362,393.51	48,224,366.66		1,842,877,373.12	1,941,464,133.29
STATE TREASURER	1	288,073.84				288,073.84
FUND - 9997 TOTAL:	133	2,106,508,709.85	270,073,782.62		2,450,022,139.12	4,826,604,631.59

CITY OF SAN DIEGO

BROKER ACTIVITY DISTRIBUTION
04/01/07 THROUGH 06/30/07
FUNDS: 9997, 9998

BROKER NAME	# OF TXNS	PURCHASE OF SECURITIES	SALE OF SECURITIES	REVERSE REPURCHASE	REPURCHASE	TOTAL
CITY OF SAN DIEGO	2		45,353,947.92			45,353,947.92
BANK OF AMERICA	39	1,006,537,643.86	34,943,601.39		421,795,985.00	1,463,277,230.25
BANK OF NEW YORK	1		10,000,000.00			10,000,000.00
BARCLAYS CAPITAL INC	1	61,539,065.00				61,539,065.00
MORGAN KEEGAN	1	8,813,854.38				8,813,854.38
BARCLAYS CAPITAL INC	1	25,580,923.33				25,580,923.33
GENERAL ELECTRIC COMPANY	1	19,997,138.89				19,997,138.89
TOYOTA FINANCIAL	1	14,755,637.50				14,755,637.50
MORGAN STANLEY	21	647,464,948.17	15,079,783.33		185,348,781.00	847,893,512.50
MERRILL LYNCH	6	208,908,432.93				208,908,432.93
LEHMAN BROTHERS	5	24,542,698.69	86,935,661.10			111,478,359.79
SMITH BARNEY-SHEARSON	5	88,112,017.88	39,536,422.22			127,648,440.10
UBS FINANCIAL SERVICES	2	54,982,533.33				54,982,533.33
BEAR STEARNS	55	120,404,822.28	48,224,366.66		1,842,877,373.12	2,011,506,562.06
STATE TREASURER	1	288,073.84				288,073.84
GRAND TOTAL	142	2,281,927,790.08	280,073,782.62	.00	2,450,022,139.12	5,012,023,711.82

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CITY OF SAN DIEGO

INVESTMENT MATURITY DISTRIBUTION
AS OF 06/30/07

PAGE: 2
RUN: 08/22/07 08:31:37

FUND 9998 99998 POOLED INVEST-CORE

CALL/MATURITY	DATE RANGE	NO OF INV	COST	%	CUM %
0 TO 2 MONTHS	07/01/07-08/31/07	1	19,988,600.00	1.8	1.8
2 TO 3 MONTHS	09/01/07-09/30/07	1	9,887,600.00	.9	2.7
3 TO 6 MONTHS	10/01/07-12/31/07	1	10,000,000.00	.9	3.6
6 TO 9 MONTHS	01/01/08-03/31/08	3	25,032,560.00	2.3	5.8
9 TO 12 MONTHS	04/01/08-06/30/08	5	154,801,176.18	13.9	19.8
12 TO 15 MONTHS	07/01/08-09/30/08	6	70,492,121.32	6.3	26.1
15 TO 18 MONTHS	10/01/08-12/31/08	10	181,850,075.31	16.4	42.5
18 TO 21 MONTHS	01/01/09-03/31/09	6	75,490,278.21	6.8	49.3
21 TO 24 MONTHS	04/01/09-06/30/09	6	159,846,718.75	14.4	63.7
24 TO 27 MONTHS	07/01/09-09/30/09	6	116,770,273.51	10.5	74.2
27 TO 30 MONTHS	10/01/09-12/31/09	4	84,686,850.00	7.6	81.8
30 TO 33 MONTHS	01/01/10-03/31/10	2	47,384,138.89	4.3	86.1
33 TO 36 MONTHS	04/01/10-06/30/10	2	39,460,745.65	3.6	89.6
36 TO 39 MONTHS	07/01/10-09/30/10	1	20,074,800.00	1.8	91.4
39 TO 42 MONTHS	10/01/10-12/31/10	1	9,983,900.00	.9	92.3
42 TO 45 MONTHS	01/01/11-03/31/11	3	35,394,206.33	3.2	95.5
45 TO 48 MONTHS	04/01/11-06/30/11	0		.0	95.5
48 TO 51 MONTHS	07/01/11-09/30/11	1	19,961,400.00	1.8	97.3
51 TO 54 MONTHS	10/01/11-12/31/11	0		.0	97.3
54 TO 57 MONTHS	01/01/12-03/31/12	1	14,895,703.13	1.3	98.7
57 TO 60 MONTHS	04/01/12-06/30/12	1	14,841,236.41	1.3	100.0
60 TO *** MONTHS	07/01/12-	0		.0	100.0
TOTALS		61	1,110,842,383.69		
GRAND TOTALS		92	1,818,608,823.98		

Total number of funds represented: 2

CITY OF SAN DIEGO

INVESTMENT MATURITY DISTRIBUTION
AS OF 06/30/07

RUN: 08/22/07 08:31:37

FUND 9997 99998 POOLED INVEST-LIQUIDITY

CALL/MATURITY	DATE RANGE	NO OF INV	COST	%	CUM %
0 TO 2 MONTHS	07/01/07-08/31/07	16	350,705,304.86	49.6	49.6
2 TO 3 MONTHS	09/01/07-09/30/07	1	19,486,000.00	2.8	52.3
3 TO 6 MONTHS	10/01/07-12/31/07	6	164,513,980.99	23.2	75.5
6 TO 9 MONTHS	01/01/08-03/31/08	2	57,619,599.37	8.1	83.7
9 TO 12 MONTHS	04/01/08-06/30/08	6	115,441,555.07	16.3	100.0
12 TO 15 MONTHS	07/01/08-09/30/08	0		.0	100.0
15 TO 18 MONTHS	10/01/08-12/31/08	0		.0	100.0
18 TO 21 MONTHS	01/01/09-03/31/09	0		.0	100.0
21 TO 24 MONTHS	04/01/09-06/30/09	0		.0	100.0
24 TO 27 MONTHS	07/01/09-09/30/09	0		.0	100.0
27 TO 30 MONTHS	10/01/09-12/31/09	0		.0	100.0
30 TO 33 MONTHS	01/01/10-03/31/10	0		.0	100.0
33 TO 36 MONTHS	04/01/10-06/30/10	0		.0	100.0
36 TO 39 MONTHS	07/01/10-09/30/10	0		.0	100.0
39 TO 42 MONTHS	10/01/10-12/31/10	0		.0	100.0
42 TO 45 MONTHS	01/01/11-03/31/11	0		.0	100.0
45 TO 48 MONTHS	04/01/11-06/30/11	0		.0	100.0
48 TO 51 MONTHS	07/01/11-09/30/11	0		.0	100.0
51 TO 54 MONTHS	10/01/11-12/31/11	0		.0	100.0
54 TO 57 MONTHS	01/01/12-03/31/12	0		.0	100.0
57 TO 60 MONTHS	04/01/12-06/30/12	0		.0	100.0
60 TO *** MONTHS	07/01/12-	0		.0	100.0
TOTALS		31	707,766,440.29		

City of San Diego
Asset Allocation as of June 30, 2007
Attachment #7